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Robert J. Howatt  
Executive Director  
Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, DE 19904

Anthony J. DePrima  
Executive Director  
Delaware Sustainable Energy Utility  
500 West Loockerman  
Suite 400, Dover, DE 19904

Thomas Noyes  
Principal Planner for Utility Policy  
Department of Natural Resources and Environmental Control  
Division of Energy & Climate  
100 W. Water Street, Suite 5A  
Dover, DE 19904

Re: PSC Docket No. 14-193  
Delmarva Power/Exelon Merger

Dear Messrs. DePrima, Noyes and Howatt:

Enclosed please find a copy of a report by Pepco Holdings LLC on Interconnection of Distributed Energy Resources (the "Report"). The Report addresses, on a Pepco Holdings utility wide basis, the Distributed Energy Resources (DER)-related commitments identified in the Report resulting from the approval of PHI's merger with Exelon. The Report is being filed with each of the state regulatory bodies that oversee Pepco Holdings' utilities (Delmarva Power & Light Company, Potomac Electric Power Company, and Atlantic City Electric Company).

With respect to Delaware, paragraph 101(b) of the Settlement Agreement in the Delaware Merger proceeding (Docket No. 14-193) provides, in pertinent part:


*Delmarva Power shall provide a report to the SEU within 90 days of Merger closing that provides its criteria limits for distributed energy resources that apply for connection to its distribution system (including but not limited to determining when a circuit is "closed"). This report shall include supporting studies and information that substantiate those limits. The report should consider the generation profile of renewable energy relative to load, as well as the approaches utilized in other jurisdictions that have addressed the issue of the impact of on-site renewable resources on the local grid and circuits...*

The Report contains all of the information and material set forth in paragraph 101(b) of the Delaware Settlement Agreement.

Following the submission of this Report, Delmarva Power will request meetings with stakeholders located in Delaware (which will include Staff, the SEU, DPA and DNREC, among others). These meetings will provide an opportunity for all interested parties to discuss the Report's contents and to provide feedback that Delmarva Power will consider regarding its plans, policies and/or criteria for interconnection of DERs with the power delivery system.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Todd L. Goodman

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